

SERVICE DATE – MARCH 23, 2018

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. MCF 21081 TA

LARRY FERGUSON D/B/A/ TRANSOUTH MOTORCOACH, LLC—ACQUISITION OF
CONTROL—C & H BUS LINES, INC.

Digest:¹ This decision permits Larry Ferguson d/b/a TranSouth Motorcoach, LLC (TranSouth) to operate properties of C & H Bus Lines, Inc. (C&H) on an interim basis pending determination of a related application for TranSouth to acquire C & H.

Decided: March 20, 2018

On February 27, 2018, Larry Ferguson d/b/a TranSouth Motorcoach, LLC (TranSouth) requested interim approval under 49 U.S.C. § 14303(i) and the Board's regulations at 49 C.F.R. § 1182.7(b) to permit it to operate the properties of C & H Bus Lines, Inc. (C&H) pending a decision on TranSouth's concurrently filed application in Docket No. MCF 21081 for authority to acquire C&H.

TranSouth (MC-465826) states that it and C&H (MC-114957) are each federally registered, passenger motor carriers providing services in Georgia. In its acquisition application in Docket No. MCF 21081, TranSouth has proposed to acquire 100% ownership and control of C&H. In that application, TranSouth argues that the transaction would allow for more efficient and productive management, modernizations of both rolling stock and maintenance equipment, and consolidation of debt structures, thus resulting in better service and savings in fares to the public. According to TranSouth, its proposed transaction will also allow both companies to serve and expand its customer bases, thereby resulting in an increase of employees in both operations and maintenance.

Under 49 U.S.C. § 14303(i), while an application for acquisition authority is pending, the Board may approve, for a period of not more than 180 days, the operation of the properties sought to be acquired by the entity proposing to acquire those properties, when it appears that

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. Policy Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

failure to do so “may result in destruction of or injury to those properties or substantially interfere with their future usefulness in providing adequate and continuous service to the public.”

TranSouth states that time is of the essence in the proposed transaction because the majority shareholder of C&H is elderly and in poor health, and his children are not interested in managing the motorcoach company, preferring to pursue other educational and employment opportunities. Accordingly, TranSouth states that C&H might lose its customer base, potentially affecting its ability to retain employees and continue to provide transportation services to the public.

Based on TranSouth’s representations regarding the financing transaction, the Board finds that a grant of interim approval for TranSouth to operate the properties of C&H meets the criteria of 49 U.S.C. § 14303(i). Therefore, pursuant to 49 C.F.R. § 1182.7(b), the Board grants such interim approval. The Board reminds TranSouth that this interim approval is temporary and that TranSouth is responsible for ensuring that C&H’s assets are protected so that they can be returned to C&H if the Board ultimately denies TranSouth’s request for acquisition authority.

This action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c).

It is ordered:

1. TranSouth is authorized on an interim basis to operate the properties of C&H under 49 U.S.C. § 14303(i) and 49 C.F.R. § 1182.7. The application for acquisition authority will be addressed in a separate decision in Docket No. MCF 21081.

2. This decision is effective on its service date.

3. A copy of this decision will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue, S.E., Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 1200 New Jersey Avenue, S.E., Washington, DC 20590.

By the Board, Board Members Begeman and Miller.